City of
Indianapolis
Bart Peterson, Mayor

Decades-old budget woes force cuts in city service, workforce

Indianapolis Works, police consolidation will restore most cuts in service

INDIANAPOLIS – Because of decades-old budget problems, the city is forced to cut city services in 2005 and 2006 by nearly $30 million and cut 189 positions through attrition, Mayor Bart Peterson said today.

Of those 189 positions, 78 are sworn police officer positions, which would be cut through attrition over two years, and 44 are sworn firefighter positions, which would be cut through attrition in 2006.

Layoffs are not necessary at this time, since the city froze many positions, canceled an Indianapolis Police Department (IPD) recruit class and made other cuts since January 1. These cuts were made in anticipation of the potential need to make budget cuts.

However, if the City-County Council does not approves consolidation of IPD and the Marion County Sheriff's Department this year, the city would have to lay off an additional 48 police officers in 2006.

"Indianapolis, like so many other cities across the country is at a crossroads where we face very real and very unattractive cuts in the services taxpayers expect and deserve," Mayor Peterson said. "*Indianapolis Works* would have cut the cost of government by $35 million every year, but without it, we're forced to make these cuts.

"However, we will go back to the legislature, we will fight for true government reform and we will fight to restore these cuts as soon as humanly possible."

Spreading public safety costs across all departments. Even though the vast majority of the funding problems are in public safety, cuts will be spread as much as they can be across all city departments, the Mayor said.

However, services in various departments that are funded by federal dollars, grants or specific user fees, by law, cannot be cut and transferred to support public safety. Specific cuts include:

♦ Cut 78 sworn police officer positions over two years through attrition;
♦ Cut 44 sworn firefighter positions through attrition;
♦ Shorten summer pool season;
♦ Reduce Indy Parks capital projects & repairs;
♦ Cut Indy Greenways maintenance by 50 percent;
♦ Reduce maintenance & mowing of 151 neighborhood parks & parkways;
♦ Cut four park ranger positions through attrition;

(more)

♦ Eliminate street sweeping in residential neighborhoods;
♦ Cut grants through Arts Council of Indianapolis to arts organizations and arts education programs;
♦ Cut four positions from the Mayor's executive & administrative staff through attrition;
♦ Eliminate grants for façade improvement in distressed areas; and
♦ Eliminate grants for community-based organizations.

This does not include the cuts that county government – which funds the Marion County Prosecutor's office, the Sheriff's department and other county offices – also will have to make.

The funding problem. The city has experienced budget shortfalls for the past several years due to the growing public safety pension problem and other structural problems in funding that have existed for decades. In addition, the city, since 2000, has been subsidizing county government whenever it ran out of money.

The situation is much worse for IPD and the Indianapolis Fire Department because unlike other city services, they rely mostly on property taxes in the old city limits. While this tax base has leveled off in the last several years, the cost of public safety continues to rise.

The public safety budget – which includes police, fire, homeland security and emergency management – has been one of the Mayor's top priorities and has grown every year since 2000.

To help address the problem, Mayor Peterson ordered $55 million in cuts in 2003 and 2004, which included a salary freeze for non-union city employees, a two percent salary cut for the Mayor, his senior staff and department directors and cutting 16 employee positions citywide, two of which were in the mayor's office.

Because even those drastic 2003 and 2004 cuts were not enough to solve the public safety funding problem, Peterson proposed *Indianapolis Works* in August 2004. At the time, he warned that if nothing were done, the city and county would be forced to make up the $35 million by cutting programs and services that rely on property tax dollars.

By law, *Indianapolis Works* had to be passed by the Indiana General Assembly, but the legislature failed to pass the plan.

Moving forward. Peterson outlined a four-point plan to move forward and keep investing in the city's future.

♦ *Maintain many services that protect public safety & enhance our city's quality of life.* The Mayor noted that the city must maintain services that protect public safety and maintain the city's quality of life. All services will be prioritized by the health risk or public safety risk.

  ¤ Community policing efforts;
  ¤ Indianapolis Violence Reduction Partnership;
  ¤ Current fire suppression activities;
  ¤ Emergency Medical Services;
  ¤ Keeping all parks open to the public;
  ¤ Access to Indy Greenways;

- ¤ Neighborhood code enforcement;
- ¤ Trash collection;
- ¤ Maintenance of public infrastructure, such as streets, curbs and sidewalks;
- ¤ Dead animal pick-up;
- ¤ Snow removal;
- ¤ Sewer repair and upgrades;
- ¤ Wastewater & stormwater treatment; and
- ¤ Recycling program.

♦ *Find creative ways to fund projects, such as federal and state dollars, philanthropic grants and partnerships with other organizations.*

♦ *Move forward with police & budget consolidation.* If the City-County Council passes police consolidation this year, the city can avoid laying off 48 sworn police officers.

♦ *Pass the rest of Indianapolis Works.* The Mayor said he would go the state legislature again to get the parts of *Indianapolis Works* that the legislature failed to pass earlier this year. If it passes in 2006, the city will be able to restore many of the services being cut now and avoid future cuts and layoffs in other areas.

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